

MINUTES  
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500  
(Internal)

July 10, 2018

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 500 (the "District") met in regular session, open to the public, on the 10th day of July, 2018, at the offices of Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Houston, Texas, outside the boundaries of the District, and the roll was called of the members of the Board:

Colette Garcia	President
Marilyn Roberts	Vice President
Saundra Dahlke	Secretary
Jeffry D. Ottmann	Assistant Secretary
Robert M. Condon	Assistant Vice President

and all of the above were present except Director Condon, thus constituting a quorum.

Also present at the meeting were Joanne E. Quintero, member of the public; Tim Applewhite of McCall Gibson Swedlund Barfoot PLLC; Rose Montalbano of F. Matuska, Inc.; Michael Ammel of Environmental Development Partners, LLC ("EDP"); Truman Edminster and Amy Downhour of Edminster Hinshaw Russ and Associates, Inc. ("EHRA"); Robert DeForest of KGA DeForest Design, LLC ("KGA"); Matt Dustin of RBC Capital Markets; and Alia Vinson, Katie Carner, and Jennifer Ramirez of Allen Boone Humphries Robinson LLP ("ABHR").

PUBLIC COMMENTS

There were no comments from the public.

ACCEPT RESIGNATION OF DIRECTOR CONDON AND APPOINT NEW DIRECTOR

The Board considered accepting the resignation of Director Condon. After review and discussion, Director Ottmann moved to accept the resignation of Director Condon. Director Dahlke seconded the motion, which passed unanimously.

The Board discussed the appointment of a new director to fill the vacancy on the Board. After discussion, Director Ottmann moved to appoint Joanne E. Quintero to the Board of Directors for a term ending May 2, 2020. Director Dahlke seconded the motion, which passed by unanimous vote.



## APPROVE SWORN STATEMENT, OFFICIAL BOND, AND OATH OF OFFICE

Ms. Vinson reviewed the Sworn Statement, Official Bond, and Oath of Office for Director Quintero. After review and discussion, Director Ottmann moved to approve the Sworn Statement, Official Bond, and Oath of Office for Director Quintero and direct that the documents be filed appropriately and retained in the District's official records, and that the Oath of Office be filed with the Secretary of State as required by law. Director Dahlke seconded the motion, which passed unanimously.

## REORGANIZE BOARD AND ELECT OFFICERS

The Board considered reorganizing the Board of Directors. Following discussion, Director Roberts moved to reorganize the Board as follows:

Colette Garcia	President
Marilyn Roberts	Vice President
Saundra Dahlke	Secretary
Jeffrey D. Ottmann	Assistant Secretary
Joanne E. Quintero	Assistant Vice President

Director Ottmann seconded the motion, which passed by unanimous vote.

## DISTRICT REGISTRATION FORM

The Board then considered authorizing filing of an updated District Registration Form with the Texas Commission on Environmental Quality ("TCEQ"), reflecting the new Board of Directors. Following review and discussion, Director Roberts moved to authorize filing of the updated District Registration Form with the TCEQ and direct that the District Registration Form be filed appropriately and retained in the District's official records. Director Ottmann seconded the motion, which passed by unanimous vote.

## OPEN MEETINGS ACT AND PUBLIC INFORMATION ACT TRAINING REQUIREMENTS

Ms. Vinson reviewed a memorandum regarding the Texas Open Meetings Act and Texas Public Information Act prepared by ABHR, a copy of which is attached.

## CONFLICT OF INTEREST DISCLOSURE AND LIST OF LOCAL GOVERNMENT OFFICERS

Ms. Vinson next reviewed Chapter 176 of the Texas Local Government Code, which requires directors and consultants to disclose certain conflicts of interest. She reviewed the forms adopted by the Texas Ethics Commission for making disclosures



under Chapter 176 and noted that the forms are required to be filed with the records administrator for the District and reviewed time periods for such filings. Ms. Vinson reviewed the List of Local Government Officers. After review and discussion, Director Ottmann moved to approve and authorize execution of the List of Local Government Officers and direct that the List be filed appropriately and retained in the District's official records. Director Dahlke seconded the motion, which passed by unanimous vote.

#### APPROVE MINUTES

The Board reviewed the minutes of the June 6, 2018, regular meeting. After review and discussion, Director Roberts moved to approve the minutes as submitted. The motion was seconded by Director Dahlke and passed by unanimous vote.

#### AUTHORIZE RENEWAL OF THE DISTRICT'S INSURANCE POLICIES

The Board considered a proposal from McDonald & Wessendorff Insurance for renewal of the District's directors and officers liability, umbrella, pollution, public employee blanket crime, directors bond, business travel accident, and workers compensation insurance policies. Director Ottmann requested the Board consider increasing the directors and officers liability coverage to \$2,000,000.

Following discussion, Director Ottmann moved to accept the proposal from McDonald & Wessendorff Insurance, including the increase in directors and officers liability coverage to \$2,000,000, and direct that the proposal be filed appropriately and retained in the District's official records. Director Roberts seconded the motion, which was approved by unanimous vote.

#### APPROVE AUDIT FOR FISCAL YEAR END MARCH 31, 2018

Mr. Applewhite presented the combined draft audit for the Master District and Internal District for the fiscal year ending March 31, 2018. Discussion ensued regarding the material weakness letter. Following review and discussion, Director Roberts moved to approve the audit for fiscal year ended March 31, 2018, subject to final review. Director Dahlke seconded the motion, which carried by unanimous vote.

#### APPROVE ANNUAL REPORT AND AUTHORIZE FILING OF SAME IN ACCORDANCE WITH CONTINUING DISCLOSURE OF INFORMATION AGREEMENT

Ms. Vinson reviewed an Annual Report containing updated financial and operating data to be filed in accordance with the continuing disclosure provisions contained in the bond resolutions. She stated that the District is required to file certain financial and operating data with the Municipal Securities Rulemaking Board (the "MSRB") through EMMA in compliance with SEC Rule 15c2-12. Following review and



discussion, Director Roberts moved to approve the Annual Report, subject to final review, authorize the attorney to submit the Annual Report in compliance with the continuing disclosure provisions contained in the bond resolutions and direct that the Annual Report be filed appropriately and retained in the District's official records. Director Dahlke seconded the motion, which passed unanimously.

#### ANNUAL REVIEW OF PROCEDURES FOR CONTINUING DISCLOSURE COMPLIANCE

The Board reviewed the District's procedures for continuing disclosure compliance. The Board concurred that no changes are required at this time.

#### FINANCIAL AND BOOKKEEPING MATTERS

Ms. Montalbano presented the bookkeeper's report and submitted the bills for the Board's review. A copy of the bookkeeper's report is attached. Upon a motion made by Director Quintero and seconded by Director Ottmann, the Board voted unanimously to approve the bookkeeper's report and the payments presented.

#### DISCUSS ASSOCIATION OF WATER BOARD DIRECTORS ("AWBD") SUMMER CONFERENCE, APPROVE REIMBURSEMENT OF ELIGIBLE EXPENSES, AND AUTHORIZE ATTENDANCE AT SUMMER WORKSHOP AND WINTER CONFERENCE

The Board discussed the AWBD summer conference and attendance at the winter AWBD conference and other AWBD official events. After discussion, Director Ottmann moved to approve reimbursement of eligible directors' expenses from the summer AWBD conference, which the bookkeeper confirmed are in compliance with the District's Travel Reimbursement Guidelines, and authorize any interested directors to attend the winter AWBD conference and any other AWBD official events. Director Dahlke seconded the motion, which carried by unanimous vote.

#### WEBSITE MATTERS

Ms. Carner stated that the District's website is active and discussion ensued.

#### TAX ASSESSMENT AND COLLECTION MATTERS

Ms. McLaughlin presented the monthly tax assessor/collector's report, a copy of which is attached. She also discussed the status of delinquent tax accounts. The Board then reviewed a delinquent tax report from Perdue, Brandon, Fielder, Collins & Mott, LLP ("Perdue"), a copy of which is attached. The Board requested that a representative of Perdue attend an upcoming Board meeting.



Following review and discussion, Director Ottmann moved to approve the tax report. Director Roberts seconded the motion, which carried unanimously.

#### OPERATION OF DISTRICT FACILITIES

Mr. Ammel presented the operator's report from EDP, a copy of which is attached.

Mr. Ammel stated that the District's Consumer Confidence Report was delivered on June 21, 2018.

After review and discussion, Director Ottmann moved to approve the operator's report. Director Dahlke seconded the motion, which passed unanimously.

#### CONDUCT HEARING ON TERMINATION OF WATER AND SEWER SERVICE

There were no accounts submitted for termination.

#### ENGINEERING MATTERS

Ms. Downhour presented an engineer's report from EHRA, a copy of which is attached, and reviewed it with the Board.

#### RECEIVE ANNUAL REPORT FROM ENGINEER ON SECTION 49.2731 ELECTRONIC BIDDING RULES

Ms. Downhour presented and reviewed the annual report on Section 49.2731 electronic bidding rules, a copy of which is attached to the engineer's report. She stated no changes were recommended at this time.

#### APPROVE SUBMERGED STORM SEWER AGREEMENTS

There was no discussion on this matter.

#### REQUESTS FOR CAPACITY RESERVATION TO HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500 ("MASTER DISTRICT")

There was no discussion on this matter.

#### CONVEYANCE OF EASEMENT/DEEDS; APPROVE ENCROACHMENT AGREEMENTS; APPROVE ABANDONMENT OF EASEMENTS

There was no discussion on this matter.



WEST HARRIS COUNTY REGIONAL WATER AUTHORITY MATTERS

There was no discussion on this matter.

REPORTS REGARDING DEVELOPMENT IN THE DISTRICT

There was no report on development.

REPORT FROM DISTRICT CONSULTANTS REGARDING DISTRICT  
CORRESPONDENCE AND PROVISION OF RECORDS

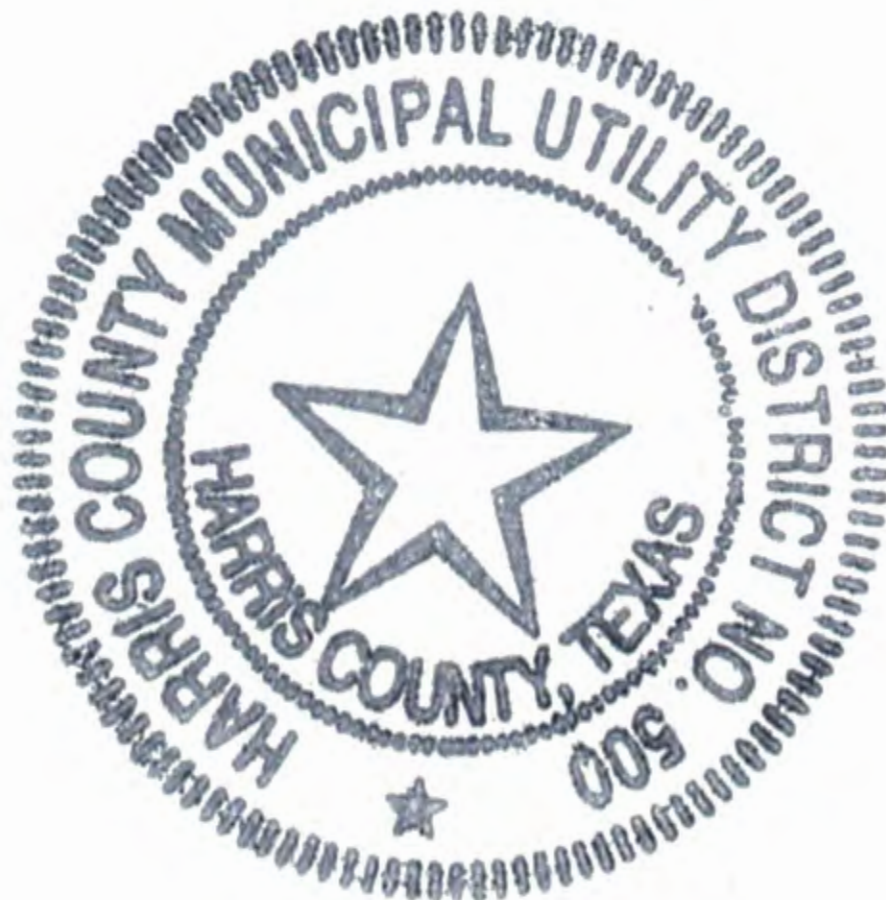
There was no discussion on this matter.

DISCUSS MEETING SCHEDULE

After discussion, the Board concurred to change the District's regular meeting time to 11:00 a.m., beginning in August, 2018.

There being no further business to come before the Board, the Board concurred to adjourn the meeting.

(SEAL)



  
Secretary, Board of Directors



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